

## A RESOLUTION

Proposing an amendment to the Constitution so as to limit valuation increases regarding homestead property; to provide for limitations on ad valorem tax revenues; to provide for the submission of this amendment for ratification or rejection; and for other purposes.

BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

## SECTION 1.

Article IX, Section IV of the Constitution is amended by adding new Paragraphs to read as follows:

"Paragraph V. ***Limitations on assessed value increases for homestead property.*** (a)(1)

Except as otherwise provided in this Paragraph, the assessed value of homestead property for all ad valorem tax purposes shall not be changed from the valuation established for 2007. Additions or improvements to such homestead property shall be appraised for ad valorem tax purposes at their fair market value and shall be added to the owner's 2007 valuation amount.

(2) If such homestead property is sold or transferred to another person, such homestead property shall be appraised for ad valorem tax purposes at the fair market value which shall be the buyer's or transferee's acquisition cost in an arm's length, bona fide transaction.

(3) Such homestead valuations under this subparagraph may increase by not more than 1 percent annually.

(b) The General Assembly shall provide by general law for the implementation and administration of this Paragraph.

Paragraph VI. ***Ad valorem tax revenue cap.*** (a) As used in this Paragraph, the term 'cap rate' means the percentage change in the price index for gross output of state and local government from the prior year to the current year as defined by the National Income and Product Accounts and determined by the United States Bureau of Economic Analysis and

indicated by the Price Index for Government Consumption Expenditures and General Government Gross Output (Table 3.10.4).

(b) On or after January 1, 2009, the amount of property tax revenue collected in each local taxing jurisdiction during a tax year not attributable to new construction, sales, or improvements shall not exceed the amount collected in the immediately preceding tax year plus the cap rate. Property tax revenues not attributable to new construction, sales, or improvements may be collected in a local taxing jurisdiction at a specified rate in excess of such cap rate upon the adoption of an ordinance or resolution of the governing body of such local taxing jurisdiction conditioned on approval by a majority vote of the qualified electors residing within the limits of the local taxing jurisdiction voting in a referendum thereon. Any such referendum shall be conducted in odd-numbered years on the third Tuesday in June and in even-numbered years on the date of the general primary."

## **SECTION 2.**

The above proposed amendment to the Constitution shall be published and submitted as provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the above proposed amendment shall have written or printed thereon the following:

"( ) YES Shall the Constitution of Georgia be amended so as to reform  
comprehensively the ad valorem tax system by freezing homestead values  
( ) NO but allowing limited future increases and by limiting future ad valorem tax  
revenues unless approved by voters in a referendum?"

All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."  
All persons desiring to vote against ratifying the proposed amendment shall vote "No." If  
such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall  
become a part of the Constitution of this state.